

**Commonwealth of Kentucky
Energy and Environment Cabinet
Department for Environmental Protection
Division for Air Quality
200 Fair Oaks Lane, 1st Floor
Frankfort, Kentucky 40601
(502) 564-3999**

Draft

**AIR QUALITY PERMIT
Issued under 401 KAR 52:020**

Permittee Name: Jim Beam Brands Co.
Mailing Address: 1600 Lebanon Junction Road, Boston, KY 40107

Source Name: Jim Beam Brands Co. Plant #2 - Booker Noe
Distillery
Mailing Address: 1600 Lebanon Junction Road
Boston, KY 40107

Source Location: 1600 Lebanon Junction Road

Permit: V-09-010
Agency Interest: 3261
Activity: APE20080002
Review Type: Title V / Synthetic Minor, Operating
Source ID: 21-179-00014

Regional Office: Frankfort Regional Office
643 Teton Trail, Suite B
Frankfort, KY 40601
(502) 564-3358

County: Nelson

Application
Complete Date: March 11, 2009
Issuance Date:
Revision Date:
Expiration Date:

**John S. Lyons, Director
Division for Air Quality**

Revised 05/07/07

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| | Permit type | Activity# | Complete Date | Issuance Date | Summary of Action |
|-----------------|------------------------|--------------------|------------------|-----------------|---|
| V-03-009 | Initial | | | 7/9/2003 | Permit |
| V-09-010 | Title V Renewal | APE20080002 | 3/11/2009 | | Prescribed Source-Wide Emissions Limits on NO_x and VOC to Avoid PSD |

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emissions Unit 01 (01-001, 01-005) Grain Handling Operations

Emissions Unit 10 (06) Unpaved Roads

Description:

Equipment includes: Grain unloading/grain loading/grain transfer and paved/unpaved roads, receiving hopper, conveyors with baghouse, grain mills (hammer milling)

Construction commenced before 1972

Capacity: 13,500 bushels/day

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive Emissions is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality.

1. Operating Limitations:

None

2. Emission Limitations:

a) Pursuant to 401 KAR 63:010, Section 3, reasonable precautions shall be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but are not limited to the following:

1. Application and maintenance of asphalt, water, or suitable chemicals on roads, material stockpiles, and other surfaces which can create airborne dusts.
2. Installation and utilization of hoods, fans, and fabric filters in accordance with manufacturer's specifications to enclose and vent the emissions generated from the processing of dust generating materials, or use of water sprays or other measures to suppress the dust emissions during handling.

b) Pursuant to 401 KAR 63:010, Section 3, discharge of visible fugitive emissions beyond the property line is prohibited.

3. Testing Requirements:

None

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of grain received and processed on a monthly basis.

5. Specific Record Keeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, records of grain received and processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the baghouse shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the baghouse shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 01A (01-002, 01-004 & 01-006) Grain Handling Operations

Description:

Equipment includes: Receiving hopper, covered conveyors to storage silos and bins with baghouse, grain mills (hammer milling)

Control equipment: Covered bucket elevators and belts - emission point 01-002

Receiver baghouse - emission point 01-004

Cyclonic inlet, reverse pulse jet; 99% eff. On PM, 90% eff. On PM10

Bag filters - emission point 01-006

Construction commenced: before 1972 for emission point 01-002 and 01-006

July 2006 for emission point 01-004

Capacity: 13,500 bushels/day

APPLICABLE REGULATIONS:

401 KAR 61:020, Existing Process Operations, for emissions unit commenced before July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

a) Pursuant to 401 KAR 61:020, Section 3(1)(a), continuous emissions into the open air shall not exceed 40% opacity.

b) Pursuant to 401 KAR 61:020, Section 3(2), particulate matter emissions into the open air shall not exceed $[55 (P)^{0.11} - 40]$ pounds per hour based on three-hour average where P is the operating rate in tons per hour.

c) Pursuant to 401 KAR 61:020, Section 3(1)(a), any continuous emission(s) into the open air shall not equal or exceed forty (40) percent opacity.

Compliance Demonstration Method:

The source shall be deemed to be in compliance when baghouse, cyclones and covered conveyors are operated in accordance with manufacturer's specifications and/or standard operating practices.

3. Testing Requirements:

See Subsection 4a.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of grain received and processed on a monthly basis.

5. Specific Record Keeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, records of grain received and processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the baghouse shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the baghouse shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 03-001 Spent Stillage

Description:

Emissions from Spent Stillage Tanks, Centrifuges, and Evaporators

Construction commenced:

before 1972 for tanks and original centrifuges

centrifuges and tanks relocated to dryhouse in 2005

additional evaporator installed 2005

additional loading rack 2007

third centrifuge installed 2007

Operating Input: 16,031 gallons/hr of spent stillage slurry

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive Emissions, applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division of Air Quality.

1. Operating Limitations:

None

2. Emission Limitations:

Pursuant to 401 KAR 63:010, Section 3, reasonable precautions shall be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but are not limited to the Installation and utilization of evaporators in accordance with manufacturer's specifications to enclose and vent the emissions generated from the processing of dust generating materials, or other measures to suppress the dust emissions during handling.

3. Testing Requirements:

None

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of spent stillage processed on a monthly basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain the records of spent stillage processed on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None

Emission Unit 04 Spent Grain Drying

Two Units: Natural Gas-fired Dryer
Distiller's Dried Grain Syrup Cyclone
Constructed: July 2004

Emission Unit 04-001 Natural Gas-fired Dryer

Operating Input: 38.73 MMBtu/hr of Natural Gas
47.8 ton/hr of thin slop, = 16,031 gal/hr

401 KAR 59:010, New Process Operations, applicable to each affected facility not subject to another emission standard with respect to particulates in 401 KAR 59, and that commenced construction on or after July 2, 1975.

401 KAR 51:017, Prevention of Significant Deterioration. The permittee has opted to take a voluntary source-wide limit on emissions of Oxides of Nitrogen and Volatile Organic Compounds in order to preclude 401 KAR 51:017.

See Section D.

a) Pursuant to 401 KAR 59:010 Section 3(1)(a), continuous emissions into the open air shall not exceed 20% opacity.

- b) Pursuant to 401 KAR 59:010 Section 3(2), particulate emissions into the open air shall not exceed $(17.31 \times [P]^{0.16})$ lbs/hour based on a three-hour average where P is the processing rate in tons/hour of spent grain entering the dryer. Compliance with the allowable particulate matter standard may be demonstrated by calculating particulate matter emissions using the spent grain processing rate and emission factor information as follows:

$$\text{PM emissions (lbs/hour)} = (0.12 \text{ lb/ton of spent grain input}^*) \times (\text{tons of spent grain processed averaged weekly in tons/hr})$$

* = emission factor from Pilot Test

- c) See Section D.

See Subsection 4a

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of spent grain dried on a monthly basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain the records of spent grain dried on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the cyclone shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the cyclone shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 04-002 Distiller's Dried Grain Syrup Cyclone****Description:**

Operating Input: 33.4 tons/hr
Installed: July 2004
Control Equipment: baghouse, pulse jet, 99% efficiency

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations, applicable to each affected facility not subject to another emission standard with respect to particulates in 401 KAR 59, and that commenced construction on or after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:010 Section 3(1)(a), continuous emissions into the open air shall not exceed 20% opacity.
- b) Pursuant to 401 KAR 59:010 Section 3(2), particulate emissions into the open air shall not exceed $(17.31 \times [P]^{0.16})$ lbs/hour based on a three-hour average where P is the processing rate in tons/hour of distillers dried grain syrup entering the cyclone. Compliance with the allowable particulate matter standard may be demonstrated by calculating particulate matter emissions using the distillers dried grain syrup processing rate, emission factor information, and baghouse control efficiency as follows:

PM emissions (lbs/hour) = (0.27 lb/ton of distillers dried grain syrup input*)
x (% efficiency**) x (tons of distillers dried grain syrup processed averaged
weekly in tons/hr)

* = emission factor from AP-42

** = 1 – baghouse efficiency

- c) See Section D.

3. Testing Requirements:

See Subsection 4a

4. Specific Monitoring Requirements:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of spent grain dried on a monthly basis.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain the records of spent grain dried on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the baghouse shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the baghouse shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 05-001 Distiller's Dried Grain Storage Silos****Description:**

| | |
|-------------------------|---|
| One silo and cyclone: | construction commenced after 1991 |
| Two silos and cyclones: | construction commenced after 2004 |
| Operating Input: | 5.2 tons/hr |
| Control Equipment: | baghouse, pulse jet, 99% efficiency (constructed after 2004) |

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations, applicable to each affected facility not subject to another emission standard with respect to particulates in 401 KAR 59, and that commenced construction on or after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:010 Section 3(1)(a), continuous emissions into the open air shall not exceed 20% opacity.
- b) Pursuant to 401 KAR 59:010 Section 3(2), particulate emissions into the open air shall not exceed $(3.59 \times [P]^{0.62})$ lbs/hour based on a three-hour average where P is the processing rate in tons/hour of distillers dried grain entering the silos. Compliance with the allowable particulate matter standard may be demonstrated by calculating particulate matter emissions using the distillers dried grain processing rate, emission factor information, and baghouse control efficiency as follows:

$$\begin{aligned} \text{PM emissions (lbs/hour)} = \\ (0.27 \text{ lb/ton of distillers dried grain input}^*) \times (\% \text{ efficiency}^{**}) \\ \times (\text{tons of distillers dried grain loaded averaged weekly in tons/hr}) \end{aligned}$$

* = emission factor from AP-42

** = 1 – baghouse efficiency

- c) See Section D.

3. Testing Requirements:

See Subsection 4a

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of distillers dried grain processed on a monthly basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain the records of distillers dried grain processed on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the baghouse shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and/or standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the baghouse shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 06-001 Distiller's Dried Grain Loading****Description:**

| | |
|-------------------------|-------------------------------------|
| Two silos and cyclones: | construction commenced after 2004 |
| Max. Operating Rate: | 30 tons/hr |
| Control Equipment: | baghouse, pulse jet, 99% efficiency |

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations, applicable to each affected facility not subject to another emission standard with respect to particulates in 401 KAR 59, and that commenced construction on or after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:010 Section 3(1)(a), continuous emissions into the open air shall not exceed 20% opacity.
- b) Pursuant to 401 KAR 59:010 Section 3(2), particulate emissions into the open air shall not exceed $(3.59 \times [P]^{0.62})$ lbs/hour based on a three-hour average where P is the processing rate in tons/hour of distillers dried grain being loaded. Compliance with the allowable particulate matter standard may be demonstrated by calculating particulate matter emissions using the distillers dried grain loading rate, emission factor information, and baghouse control efficiency as follows:

$$\text{PM emissions (lbs/hour)} = (0.086 \text{ lb/ton of grain input}^*) \times (\% \text{ efficiency}^{**}) \times (\text{tons of distillers dried grain loaded averaged weekly in tons/hr})$$

* = emission factor from AP-42

** = 1 – baghouse efficiency

- c) See Section D.

3. Testing Requirements:

See Subsection 4a

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the amount of distillers dried grain loaded on a monthly basis.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain the records of distillers dried grain loaded on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the baghouse shall be operated to maintain compliance with applicable requirements in accordance with manufacturer's specifications and/or standard operating practices.
- b) Pursuant to 401 KAR 52:020 Section 26, records regarding the maintenance of the baghouse shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 07

Barrel Filling, Aging, and Dumping

Description:

| | |
|--------------------------|--|
| Equipment Includes: | barrel filling stations, product aging in warehouses, and barrel dumping |
| Construction commenced: | before 1971 |
| 4 new warehouses: | construction commenced after June, 2004 |
| New barrel filling tank: | construction commenced in 2007 |
| 5 new warehouses: | construction commenced in 2007 |

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive Emissions, applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division of Air Quality.

1. Operating Limitations:

None

2. Emission Limitations:

None

3. Testing Requirements:

None

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the number of barrels filled and stored on an annual basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain records of the number of barrels filled and stored on an annual basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 08 (08-002) Indirect Heat Exchanger****Description:**

Natural gas-fired indirect heat exchanger
Secondary fuel: Propane
Maximum Continuous Rating: 88.85 MMBtu/hr
Construction commenced: after June, 2004

APPLICABLE REGULATIONS:

401 KAR 59:015, New Indirect Heat Exchangers, applicable to indirect heat exchangers having a heat input capacity of 250 MMBtu/hr or less and constructed on or after April 9, 1972.

401 KAR 60:005, incorporating by reference 40 CFR 60 Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, applicable to steam generating units commenced after June 9, 1989 that have a maximum design heat input capacity between 10 MMBtu/hr and 100 MMBtu/hr.

NON-APPLICABLE REGULATIONS:

401 KAR 51:017, Prevention of Significant Deterioration. The permittee has opted to take a voluntary source-wide limit on emissions of Oxides of Nitrogen and Volatile Organic Compounds in order to preclude 401 KAR 51:017.

1. Operating Limitations:

None

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate emissions shall not exceed 0.34 lb/MMBtu based on a 3-hour average.
- b) Pursuant to 401 KAR 59:015 Section 4(2)(b), opacity emissions shall not exceed 20% except that a maximum of forty % opacity shall be permissible for not more than 6 consecutive minutes in any 60 consecutive minutes during cleaning the fire box or blowing soot.
- c) Pursuant to 401 KAR 59:015 Section 4(2)(c), opacity emissions shall not exceed 20 % except for emissions during building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.
- d) Pursuant to 401 KAR 59:015 Section 5(1)(c), sulfur dioxide emissions shall not exceed 1.23 lb/MMBtu based on a 24-hour average.
- e) While burning pipeline quality natural gas or propane, this unit is considered to be in assumed with PM, opacity, and SO₂ standards.
- f) See Section D.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

3. Testing Requirements:

None

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the heating value and sulfur content of each type of fuel combusted. The permittee may use certification from the fuel supplier to satisfy this requirement.
- b) Pursuant to 401 KAR 60:005, incorporating by reference 40 CFR 60 Subpart Dc, the permittee shall monitor the amount of each type of fuel combusted on a daily basis.

5. Specific Recordkeeping Requirements:

- a) Pursuant to 401 KAR 60:005, incorporating by reference 40 CFR 60 Subpart Dc, the permittee shall maintain the records of the amount of each type of fuel combusted on a daily basis.
- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall maintain the records of heating value and sulfur content for each type of fuel combusted on a weekly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 09 (09-001) Indirect Heat Exchanger****Description:**

Spreader-Stoker Coal-fired Indirect Heat Exchanger
Control Equipment: Lime Injection System and Baghouse System
(Installed 2005)
Maximum Continuous Rating: 65 MMBtu/hr
Construction Commenced: before 1972

APPLICABLE REGULATIONS:

401 KAR 61:015, Existing Indirect Heat Exchangers, applicable to indirect heat exchangers having a heat input capacity of less than 250 MMBtu/hr and constructed before April 9, 1972.

401 KAR 60:005, incorporating by reference 40 CFR 60 Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, applicable to steam generating units commenced after June 9, 1989 that have a maximum design heat input capacity between 10 MMBtu/hr and 100 MMBtu/hr.

40 CFR 64, Compliance Assurance Monitoring (for PM)

NON-APPLICABLE REGULATIONS:

401 KAR 51:017, Prevention of Significant Deterioration. The permittee has opted to take a voluntary source-wide limit on emissions of Oxides of Nitrogen and Volatile Organic Compounds in order to preclude 401 KAR 51:017.

Section 112(j) of the Clean Air Act. The permittee has elected to accept voluntary federally enforceable emissions limits to preclude the applicability of these standards.

1. Operating Limitations:

To preclude the applicability of CAA Section 112(j), source-wide emissions of hydrogen chloride shall not exceed 9.0 tons in any twelve (12) consecutive months.

Compliance Demonstration Method:

The permittee may use the test information submitted to the Division on January 20, 2006 that relates HCl control to lime feed rate, to calculate the monthly HCl emission rate using the following equation:

$$\text{Monthly HCl emissions} = C \times 3.48 \text{ lbs HCl/ton of coal} \times (1 - CF/100)$$

C = coal usage (tons/month)

CF = control efficiency = $7 \times 10^{-5}L^3 - 0.0216L^2 + 2.3306L$

L = average lime feed rate (lb/hr)

Derived emission factors from stack shall replace the 2006 data for future emissions calculations

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**2. Emission Limitations:**

- a) Pursuant to 401 KAR 61:015, Section 4(1), particulate emissions shall not exceed 0.48 lb/MMBtu based on a 3-hour average.

Compliance Demonstration Method:

The permittee may assure compliance with the particulate matter standard by calculating particulate matter emissions using the following formula:

$$\text{Particulate Matter emissions (lb/ton)} = [[(17 \text{ lb/ton}^*) / (13,456 \text{ Btu/lb}^{**})] / (2,000 \text{ lb/ton})] \times [1,000,000 \text{ Btu/MMBtu}] \times (\% \text{ efficiency}^{***})$$

* = emission factor from AP-42

** = 13,456 is the coal's heating value in Btu/lb by Jim Beam Co.

*** = (1 – baghouse control efficiency)

- b) Pursuant to 401 KAR 61:015 Section 4(3)(b), opacity emissions shall not exceed 40% except that a maximum of 60 % opacity shall be permissible for not more than 6 consecutive minutes in any 60 consecutive minutes during cleaning the fire box or blowing soot.
- c) Pursuant to 401 KAR 59:015 Section 4(3)(c), opacity emissions shall not exceed 40 % except for emissions during building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.
- d) Pursuant to 401 KAR 61:015 Section 5(1), sulfur dioxide emissions shall not exceed 4.52 lb/MMBtu based on a 24-hour average.

Compliance Demonstration Method:

The permittee may assure compliance with the Sulfur Dioxide emission standard by calculating Sulfur Dioxide emissions using the following formula:

$$\text{SO}_2 \text{ emissions (lb/ton)} = [[(38 \text{ lb/ton}^* \times 0.86^{**}) \times (13,456 \text{ Btu/lb}^{***})] / (2000 \text{ lb/ton})] \times [1,000,000 \text{ Btu/MMBtu}]$$

* = emission factor from AP-42

** = percent sulfur in coal by Jim Beam Co.

*** = heating value of coal by Jim Beam Co.

- e) See Section D

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

3. Testing Requirements:

- a) Pursuant to 401 KAR 52:020 Section 26, the permittee shall conduct a performance test for particulate matter, particulate matter smaller than 10 microns, sulfur dioxide, and hydrogen chloride by the start of the fourth year of this permit in order to demonstrate applicability of the equations for compliance with the applicable operating limitation standards.
- b) See Section G.5.

4. Specific Monitoring Requirements:

- a) Pursuant to 40 CFR 64.6, Compliance Assurance Monitoring, Table 1 (see below) shows the monitoring approach for particulate matter (PM). The permittee shall conduct this monitoring and fulfill all other obligations specified in 40 C.F.R §§ 64.7 through 64.9.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

TABLE 1 - MONITORING APPROACH

| Applicable CAM Requirement | PM/PM ₁₀ limits |
|--|---|
| General Requirements | <p>(1) 0.41 lb/MMBtu filterable particulate limit, based on a 3-hour average</p> <p>(2) Less than 40% Opacity except (1) maximum of 60% opacity for not more than 6 consecutive minutes in any consecutive 60 minutes during cleaning the fire-box or blowing soot, and (2) during boiler startup when manufacturer's recommendations are followed.</p> |
| Monitoring Methods and Location | <p>(1) Differential pressure across the baghouse shall be monitored; proper operation of the baghouse shall be maintained.</p> <p>(2) Daily visual observations of the stack plume shall be performed. USEPA reference Method 9 shall be performed if visual emissions are observed.</p> |
| Indicator Ranges The permittee may adjust the indicator ranges pursuant to 40 CFR 64.7 (e) based on results from subsequent performance tests for PM compliance and with the Division's approval. | <p>(1) The baghouse has an operating range of 2-8" (w.c.) of pressure drop, in accordance with manufacturer's specifications. An inspection of the baghouse shall be performed if pressure drops occur outside the operating range.</p> <p>(2) The presence of visible emissions during normal boiler operations shall require the permittee to initiate opacity monitoring in accordance with USEPA Reference Method 9. The permissible indicator range for Method 9 readings shall be 0 – 40% opacity.</p> |
| Data Collection Frequency | <p>(1) Baghouse differential pressure is recorded continuously on an ISQL server.</p> <p>(2) Visual observations of the stack plume are performed daily when the boiler is operating. USEPA Reference Method 9 observations are collected and an inspection of the baghouse is performed when visible emissions from the stack are observed.</p> |
| Averaging Period | <p>(1) Baghouse differential pressure readings records from the ISQL server will be analyzed to show pressure drop as a function of time. Pressure drop values will be marked on a scaled axis if a graph is used. Exceedances and excursions of the operating range will be specifically identified. Analysis of the baghouse differential pressure readings will be included in the semiannual report.</p> <p>(2) Reference method 9 readings, if required, shall be reported as 6-minute averages.</p> |
| Recordkeeping | <p>(1) Baghouse operating parameters shall be maintained for a period of 5 years.</p> <p>(2) Daily visual observations and Method 9 readings (if any) shall be maintained for a period of 5 years.</p> |
| QA/QC | <p>(1) An excursion for PM emissions shall be defined as (1) three consecutive baghouse differential pressure readings outside the operating range listed above in a rolling 24-hour period and (2) one six minute average opacity reading collected using USEPA Reference Method 9 that is above the opacity limit mentioned above.</p> <p>(2) The permittee shall initiate an investigation and take corrective action for each excursion.</p> <p>(3) The Quality Improvement Plan (QIP) threshold for baghouse pressure drop is 5 excursions within a rolling 3-month period. This threshold level is 5 percent (5%) of the total 24-hour data recording periods. The QIP threshold for Method 9 observations is either (1) 4 excursions in a rolling 3-month period or (2) 3 consecutive weekly excursions.</p> <p>(4) If the QIP threshold is triggered in a semiannual reporting period, a QIP shall be developed and implemented. Baghouse monitoring parameters will be maintained and operated in accordance with manufacturer recommendations. Records of Method 9 certifications will be maintained. Differential pressure instrumentation will be calibrated a minimum of once per year. The baghouse will be externally inspected daily and internally inspected at least once per year. Records of all inspections and calibrations will be maintained.</p> |

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the heating value, ash content, and sulfur content of coal by obtaining certification from the fuel supplier for each shipment of coal received.
- c) Pursuant to 401 KAR 61:015, Section 6(3), the permittee shall monitor the amount of fuel combusted on a daily basis.
- d) Pursuant to 401 KAR 52:020 Section 26, the permittee shall monitor the average feed rate of lime in lbs/hr when the unit is operating.

5. Specific Recordkeeping Requirements:

- a) Pursuant to 401 KAR 61:015 Section 6, the permittee shall maintain the records of heating value, ash and sulfur content for coal combusted on a weekly basis.
- b) Pursuant to 401 KAR 61:015 Section 6, the permittee shall maintain the records of the amount of fuel combusted on a daily basis.
- c) Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain the records of the average feed rate of lime feed rate in pounds per hour.
- d) Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain the records of the calculated HCl monthly and 12-month rolling total values.
- e) Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain the records of the log of qualitative visual observations of visible emissions and opacity readings.
- f) Pursuant to 410 KAR 52:020, Section 26, records regarding the maintenance and operation of the control equipment shall be maintained.

6. Specific Reporting Requirements:

- a) Pursuant to 401 KAR 52:020, Section 26, the permittee shall report the emissions of the calculated HCl monthly and 12-month rolling total values.
- b) See Section F.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055 Section 2, the lime injection and baghouse systems shall be operated to maintain compliance with permitted emission limitations in accordance with manufacturer's specifications and standard operating practices.
- b) Pursuant to 401 KAR 52:020, Section 26, records regarding the maintenance of the lime injection and baghouse systems shall be maintained.
- c) See Section E.

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. Although these activities are designated as insignificant the permittee must comply with the applicable regulation. Process and emission control equipment at each insignificant activity subject to an opacity standard shall be inspected monthly and a qualitative visible emissions evaluation made. Results of the inspection, evaluation, and any corrective action shall be recorded in a log.

| <u>Description</u> | <u>Generally Applicable Regulation</u> |
|------------------------------------|--|
| 1. 02-001 Fermentation Tanks | N/A |
| 2. 02-002 Distillation Still | N/A |
| 3. 02-003 Converter | N/A |
| 4. 02-004 Low Wine Condenser | N/A |
| 5. 02-006 High Wine Condenser | N/A |
| 6. 02-007 Whiskey Tank | N/A |
| 7. 02-008 Heads and Tails Tanks | N/A |
| 8. 02-009 Stripper Still | N/A |
| 9. 02-010 Retention Tank | N/A |
| 10. 07-001 Cistern Tanks | N/A |
| 11. 07-004 Re-gauge Tanks | N/A |
| 12. 07-004 Tanker Loading | N/A |
| 13. 08-001 2 Propane Storage Tanks | N/A |
| 14. 09-002 Coal Stockpile | N/A |
| 15. 09-003 Coal Transport | N/A |
| 16. 09-004 Coal Loading | 401 KAR 63:010 |
| 17. 09-005 Ash-Handling System | 401 KAR 63:010 |
| 18. 09-006 Ash Storage Pile | 401 KAR 63:010 |
| 19. 09-007 Ash-Loading | 401 KAR 63:010 |

SECTION C - INSIGNIFICANT ACTIVITIES (CONTINUED)

| | |
|--|----------------|
| 20. 09-008 Lime Silo | 401 KAR 63:010 |
| 21. Maintenance Operations | N/A |
| 22. 11-001 Wastewater Treatment System | N/A |
| 23. 12-001 Process Cooling | N/A |
| 24. Miscellaneous Storage Tanks | N/A |
| 25. Mobile Sources | N/A |

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.
2. Particulate matter, particulate matter smaller than 10 microns, carbon monoxide, oxides of nitrogen, sulfur dioxide, volatile organic compounds, Hazardous Air Pollutants, and hydrogen chloride emissions, measured by applicable reference methods, or an equivalent or alternative method specified in 40 C.F.R. Chapter I, or by a test method specified in the state implementation plan shall not exceed the respective limitations specified herein.
3. In order to ensure non-applicability of 401 KAR 51:017 (Prevention of Significant Deterioration of Air Quality) for Emission Units 03, 04 and 07, the net emissions increase of VOC and NO_x shall not exceed 35 tons in any twelve (12) consecutive months. This will be achieved through the following calculations.

EQ-1: VOC net emissions increase, 12-month rolling total:

- Use production data for the most recent 12-month period when calculating 12-month Rolling Total

Net emissions Increase (tons) = Unit 3 VOC + Unit 4 VOC + Unit 8 VOC - Baseline actual emissions

Where:

$$\text{Unit 3 VOC} = \frac{6.59[\text{lb VOC/gal}] \times 28.5[\text{gal/bu}] \times \frac{0.045 \text{ Proof}}{2 \times 100} \times \text{Throughput} [\text{bu/yr}]}{2000 [\text{lb/ton}]}$$

$$\text{Unit 4 VOC} = \frac{0.0178[\text{lb/bu}] \times \text{Throughput} [\text{bu/yr}]}{2000 [\text{lb/ton}]}$$

$$\text{Unit 7 VOC} = \frac{5.5[\text{lb/mmcf}] \times \text{BoilerNatGas} [\text{mmcf/yr}] + 0.5[\text{lb/mgal}] \times \text{BoilerPropane} [\text{mgal/yr}]}{2000 [\text{lb/ton}]}$$

EQ-2: NO_x net emissions increase, 12-month rolling total:

- Use production data for the most recent 12-month period when calculating 12-month Rolling Total

Net emissions Increase (tons) = Unit 4 NO_x + Unit 8 NO_x - Baseline actual emissions

Where:

$$\text{Dryer NO}_x = \frac{.04[\text{lb/mmBtu}] \times 1050[\text{mmBTU/mmcf}] \times \text{DryerNatGas} [\text{mmcf/yr}] + 19[\text{lb/mgal}] \times \text{DryerPropane} [\text{mgal/yr}]}{2000 [\text{lb/ton}]}$$

$$\text{Boiler NO}_x = \frac{.09[\text{lb/mmBTU}] \times 1050[\text{mmBTU/mmcf}] \times \text{BoilerNatGas} [\text{mmcf/yr}] + 19[\text{lb/mgal}] \times \text{DryerPropane} [\text{mgal/yr}]}{2000 [\text{lb/ton}]} +$$

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

Unit 3 is Emission point 03-001 Spent Stillage

Unit 4 is Emission point 04-001 Spent Grain Drying

Unit 8 is Emission point 08-002 Indirect Heat Exchanger (88.85 mmBtu/hr N.G./Propane)

4. To preclude the applicability of CAA Section 112(j), Jim Beam-Booker Noe Distillery shall limit source-wide HAPs emissions to less than 9 tons per year (tpy) for any individual HAP pollutant and 22.5 tons per year (tpy) for any combination of HAP pollutants. For Emissions Unit 09 (09-001) Indirect Heat Exchanger HCl emissions shall not exceed 9 tons/year in any twelve (12) consecutive months. This will be achieved through the following calculations.

Compliance Demonstration:

For compliance with the HCl operating emission limit and based on test information submitted to Division on January 20, 2006 that relates HCl control to lime feed rate, this relationship and the monthly coal usage will be used to estimate monthly HCl emissions. The calculated monthly and 12-month rolling total shall be determined by the equation:

Monthly HCl Emissions = $C \times 3.48 \text{ lb HCl/ton coal} \times (1 - CF/100)$

C = coal usage (tons/month)

CF = control efficiency = $7 \times 10^{-5} L^{-3} - 0.0216 L^{-2} + 2.3306 L$

L = average lime feed rate (lb/hr)

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
2. Particulate emission from the indirect heat exchanger will be controlled by a bag-house with a proposed efficiency of 99.2 %. Hydrogen Chloride (HCl) emissions will be controlled by a lime injection system and baghouse for an average efficiency of 78 %.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b-IV-1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place as defined in this permit, and time of sampling or measurements;
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement.
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [Sections 1b-IV-2 and 1a-8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
3. In accordance with the requirements of 401 KAR 52:020 Section 3(1)h the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
 - a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
 - b. To access and copy any records required by the permit;
 - c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Sections 1b-V-1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to 401 KAR 52:020 Section 23. If continuous emission and opacity monitors are required by regulation or this permit, data shall be reported in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7 above) to the Regional Office listed on the front of this permit within 30 days. Deviations from permit requirements, including those previously reported under F.7 above, shall be included in the semiannual report required by F.6 [Sections 1b-V, 3 and 4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
9. Pursuant to 401 KAR 52:020, Permits, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
 - a. Identification of the term or condition;
 - b. Compliance status of each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent;
 - d. The method used for determining the compliance status for the source, currently and over the reporting period.
 - e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

Division for Air Quality
Frankfort Regional Office
643 Teton Trail, Suite B
Frankfort, KY 40601-1758

U.S. EPA Region 4
Air Enforcement Branch
Atlanta Federal Center
61 Forsyth St.
Atlanta, GA 30303-8960

Division for Air Quality
Central Files
200 Fair Oaks Lane, 1st Floor
Frankfort, KY 40601

10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the Division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee.

SECTION G - GENERAL PROVISIONS**1. General Compliance Requirements**

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020 Section 3(1)(b) and a violation of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act). Noncompliance with this permit is grounds for enforcement action including but not limited to termination, revocation and reissuance, revision or denial of a permit [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020 Section 26].
- b. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a-6 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- c. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - (1) If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
 - (2) The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
 - (3) The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;
 - (4) New requirements become applicable to a source subject to the Acid Rain Program.

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

- d. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the conditions of this permit [Sections 1a- 7 and 8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- e. Emission units described in this permit shall demonstrate compliance with applicable requirements if requested by the Division [401 KAR 52:020 Section 3(1)(c)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- f. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the permitting authority [401 KAR 52:020, Section 7(1)].
- g. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-14 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- h. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- i. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens. [Section 1a-15-b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- j. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6) [Section 1a-10 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- k. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:020, Section 11(3) 2.].
- l. This permit does not convey property rights or exclusive privileges [Section 1a-9 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- m. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Cabinet or any other federal, state, or local agency.
- n. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry [401 KAR 52:020, Section 11(3) 4.].
- o. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders [401 KAR 52:020, Section 11(3) 1.].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- p. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic Minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.
- q. Pursuant to 401 KAR 52:020, Section 11, a permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with:
 - (1) Applicable requirements that are included and specifically identified in the permit and
 - (2) Non-applicable requirements expressly identified in this permit.

2. Permit Expiration and Reapplication Requirements

- a. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:020, Section 12].
- b. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:020 Section 8(2)].

3. Permit Revisions

- a. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).
- b. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

SECTION G - GENERAL PROVISIONS (CONTINUED)**4. Construction, Start-Up, and Initial Compliance Demonstration Requirements**

- a. This permit authorizes no construction, but the previous permit revision authorized construction for a centrifuge, beer still, doubler, barrel filling tank, and lime silo, some of which is still underway. Within fifteen (15) days following start-up and attainment of the maximum production rate specified in the permit application, or within fifteen (15) days following the issuance date of this permit, whichever is later, the permittee shall furnish to the Regional Office listed on the front of this permit in writing, with a copy to the Division's Frankfort Central Office, notification of the following:
 - (1) The date when construction commenced for any units authorized for construction under previous permit revisions but still under construction at the time of issuance of this permit.
 - (2) The date of start-up of the affected facilities authorized for construction under previous permit revisions but still under construction at the time of issuance of this permit.
 - (3) The date when the maximum production rate specified in the permit application was achieved.
- b. Terms and conditions in this permit established pursuant to the construction authority of 401 KAR 51:017 or 401 KAR 51:052 shall not expire.

5. Testing Requirements

- a. Pursuant to 401 KAR 50:045 Section 2, a source required to conduct a performance test shall submit a completed Compliance Test Protocol form, DEP form 6028, or a test protocol a source has developed for submission to other regulatory agencies, in a format approved by the cabinet, to the Division's Frankfort Central Office a minimum of sixty (60) days prior to the scheduled test date. Pursuant to 401 KAR 50:045, Section 7, the Division shall be notified of the actual test date at least Thirty (30) days prior to the test.
- b. Pursuant to 401 KAR 50:045 Section 5, in order to demonstrate that a source is capable of complying with a standard at all times, any required performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive these requirements on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- c. Results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days or sooner if required by an applicable standard, after the completion of the fieldwork.

SECTION G - GENERAL PROVISIONS (CONTINUED)**6. Acid Rain Program Requirements**

If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

7. Emergency Provisions

- a. Pursuant to 401 KAR 52:020 Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations were exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
 - (5) This requirement does not relieve the source of other local, state or federal notification requirements.
- b. Emergency conditions listed in General Condition G.7.a above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:020, Section 24(3)].
- c. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:020, Section 24(2)].

8. Ozone Depleting Substances

- a. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - (1) Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - (2) Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.

SECTION G - GENERAL PROVISIONS (CONTINUED)

- (3) Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - (4) Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166
 - (5) Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - (6) Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
- b. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.

9. Risk Management Provisions

- a. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

RMP Reporting Center
P.O. Box 1515
Lanham-Seabrook, MD 20703-1515.

- b. If requested, submit additional relevant information to the Division or the U.S. EPA.

SECTION H - ALTERNATE OPERATING SCENARIOS

None

SECTION I - COMPLIANCE SCHEDULE

None